

ND STATE BONDING FUND

State Investment Board Balance Sheet As of 6/30/2007

	As of <u>6-30-07</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 716,747	\$ 675,413
INTERNATIONAL EQUITIES	288,978	257,685
DOMESTIC FIXED INCOME	1,426,826	1,477,340
INVESTED CASH (NOTE 1)	<u>270,294</u>	<u>264,291</u>
TOTAL INVESTMENTS	2,702,845	2,674,729
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	28,993	30,601
MISCELLANEOUS RECEIVABLE	<u>3</u>	<u>3</u>
TOTAL RECEIVABLES	28,996	30,604
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	351,653	550,596
OPERATING CASH	<u>(69)</u>	<u>(82)</u>
TOTAL ASSETS	<u>\$ 3,083,425</u>	<u>\$ 3,255,847</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	351,653	550,596
ACCOUNTS PAYABLE	15	14
ACCRUED EXPENSES	31	31
INVESTMENT EXPENSE PAYABLE	<u>1,966</u>	<u>1,560</u>
TOTAL LIABILITIES	353,665	552,201
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,703,646	2,618,699
RESTATED AMOUNT	0	(16)
CASH IN DURING YEAR (NOTE 3)	0	0
CASH OUT DURING YEAR (NOTE 4)	300,000	50,000
NET INCREASE (DECREASE)	<u>326,114</u>	<u>134,963</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>2,729,760</u>	<u>2,703,646</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 3,083,425</u>	<u>\$ 3,255,847</u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2007

	Month Ended <u>6-30-07</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 8,212	\$ 107,229
SECURITIES LENDING INCOME	1,820	23,798
	<u>10,032</u>	<u>131,027</u>
 GAIN ON SALE OF INVESTMENTS	 49,238	 316,454
LOSS ON SALE OF INVESTMENTS	28,741	188,282
	<u></u>	<u></u>
NET GAINS (LOSSES) INVESTMENTS	20,497	128,172
 INVESTMENT EXPENSES	 736	 6,898
SECURITIES LENDING EXPENSES	1,706	23,012
	<u></u>	<u></u>
NET INVESTMENT INCOME	28,087	229,289
 NET APPREC (DEPREC) MARKET VALUE	 (47,725)	 97,574
MISCELLANEOUS INCOME/(EXPENSE)	1	251
	<u></u>	<u></u>
TOTAL INVESTMENT INCOME	<u>(19,637)</u>	<u>327,114</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	225	1,000
	<u></u>	<u></u>
NET INCREASE (DECREASE)	<u>\$ (19,862)</u>	<u>\$ 326,114</u>

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State Investment Board SUPPLEMENTARY INFORMATION As of 6/30/2007

	As of <u>6/30/07</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	529,219
SMALL CAP EQUITY	188,176
TOTAL DOMESTIC EQUITIES	<u>717,394</u>
INTERNATIONAL EQUITY	205,542
FIXED INCOME	1,390,411
INVESTED CASH (NOTE 1)	<u>270,294</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$2,583,641</u></u>

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Notes To Financial Statements
June 30, 2007

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.